## I Claim:

- 1. In a telecommunication network having a plurality of interconnected switches, a method of adjusting a contracted rate of traffic for a virtual circuit comprising the steps of:
  - a) obtaining statistical data for the plurality of interconnected switches;
- b) identifying for each of the plurality of interconnected switches, virtual circuits that make excessive use of the network; and
  - c) adjusting the contracted rate of traffic to form a modified contracted rate of traffic.
- 2. The method of claim 1, wherein the telecommunication network comprises a frame relay network.
- 3. The method of claim 1, wherein the telecommunication network comprises an asynchronous transfer mode network.
- 4. The method of claim 1, wherein the virtual circuit comprises a permanent virtual circuit.
- 5. The method of claim 1, wherein the telecommunication network comprises a packet switched network.
- 6. The method of claim 1, wherein the contracted rate of traffic comprises a committed information rate.
- 7. The method of claim 1, wherein step a) includes downloading statistical data found on a website.

- 8. The method of claim 7, wherein the statistical data found on a website includes a predetermined number of months of the network statistical data.
- 9. The method of claim 8, wherein the predetermined number of months comprises three months.
- 10. The method of claim 1, wherein the statistical data comprises bulkstats.
- 11. The method of claim 1, wherein step b) further comprises the steps of:
  a) counting the number of data points i, in n samples that exceed a threshold value  $R_I$ ; and
  b) if the number of i data points divided by the total number of samples is greater than or equal to  $R_2$ , then adjusting the CIR.
- 12. The method of claim 11, wherein  $R_I$  is a value of approximately 25 percent.
- 13. The method of claim 11, wherein  $R_I$  is a value of at least 18 percent.
- 14. The method of claim 11, wherein  $R_2$  is a value of approximately 20 percent.
- 15. The method of claim 11, wherein  $R_2$  is a value of at least 10 percent.
- 16. The method of claim 1, wherein step c) further comprises the step of: using a discrete probability model to determine a modified contracted information rate.
- 17. The method of claim 1, wherein step c) further comprises the step of:
  using a continuous probability distribution model to determine a modified contracted information rate.

- 18. A computer-readable medium having computer-executable instructions for performing steps comprising:
  - a) obtaining statistical data for a plurality of interconnected network switches;
  - b) identifying for each of the plurality of interconnected switches, virtual circuits that make excessive use of the network; and
  - c) adjusting the contracted rate of traffic to form a modified contracted rate of traffic.
- 19. The computer-readable medium of claim 18, wherein the virtual circuit comprises a permanent virtual circuit.
- 20. The computer-readable medium of claim 18, wherein the contracted rate of traffic comprises a committed information rate.
- 21. The computer-readable medium of claim 18, wherein step a) includes downloading statistical data found on a website.
- 22. The computer-readable medium of claim 21, wherein the statistical data found on a website includes a predetermined number of months of the network switch statistics.
- 23. The computer-readable medium of claim 22, wherein the predetermined number of months comprises three months.
- 24. The computer-readable medium of claim 18, wherein the statistical data comprises bulkstats.
- 25. The computer-readable medium of claim 18, wherein step b) further comprises the steps of:
  - a) counting the number of data points i, in n samples that exceed a threshold value  $R_{I}$ ; and

- b) if the number of i data points divided by the total number of samples is greater than or equal to  $R_2$ , then adjusting the CIR.
- 26. The computer-readable medium of claim 25, wherein  $R_I$  is a value of approximately 25 percent.
- 27. The computer-readable medium of claim 25, wherein  $R_I$  is a value of at least 18 percent.
- 28. The computer-readable medium of claim 25, wherein  $R_2$  is a value of approximately 20 percent.
- 29. The computer-readable medium of claim 25, wherein  $R_2$  is a value of at least 10 percent.
- 30. The computer-readable medium of claim 18, wherein step c) further comprises the step of:
  using a discrete probability model to determine a modified contracted information rate.
- 31. The computer-readable medium of claim 18, wherein step c) further comprises the step of:

  using a continuous probability distribution model to determine a modified contracted information rate.